

Statement of
U.S. Representative Edward J. Markey (D-MA)
Ranking Democrat, House Subcommittee on
Telecommunications and the Internet
Hearing on Voice over Internet Protocol (VOIP)
March 16, 2005

Good Morning. I want to commend Chairman Upton for calling this hearing today on Voice over Internet Protocol (VOIP).

Internet Protocol-based telecommunications services continue to make inroads into markets traditionally served through older technologies. These digital service offerings are exactly the kind of innovative broadband services the Telecommunications Act was intended to unleash. And because all content - voice, video, data, or a combination – can be expressed in packets of zeros and ones, these digital packets can be delivered over almost any broadband telecommunications infrastructure.

Internet-based technologies are buffeting many of the incumbent marketplace participants across many industries. In the telephone market, consumers stand to benefit from advances in technologies such as VOIP, which possesses the ability to bring additional features and services and lower cost to what we once called “plain old telephone service.” Policymakers need to foster initiatives that promote greater broadband competition. Such competition is necessary to drive broadband access prices for consumers lower. If VOIP providers are assured unfettered access to

the consumer broadband marketplace, competition can flourish in a way that encourages innovation and price competition.

Consumers certainly deserve access to new Internet-based services such as VOIP. Consumers also deserve to receive these services from multiple providers so they benefit not only from access to these new technologies, but also from improved service quality and lower prices. *Yet consumers must also retain the important consumer protections developed over the years for these services.*

Just because an entity delivering a telecommunications service utilizes a new technology to deliver it doesn't mean that the nature of the service itself changes from a consumer standpoint. The need for consumer privacy rules, billing protections, fraud protections, emergency 911 services, law enforcement access, or ensuring affordable residential service, does not disappear simply because a voice call travels in *packets* rather than *dedicated circuits*. Public safety and the public interest are directly implicated by the lack of some of these rules for the VOIP marketplace. The Commission's ad hoc regulatory classifications over the last few years have left providers without clear obligations or clear rights and have left consumers without adequate consumer protection and disclosure, particularly as it pertains to 911 emergency service.

Today's hearing will provide us with an excellent opportunity to hear how the industry is confronting the rise

of Internet telephony and allow us over the coming months to gauge whether any changes are necessary to existing telecommunications statutes, or whether adjustments in this area is solely needed to regulatory interpretations of existing laws.

Again, I thank the Chairman for calling this hearing and look forward to testimony from our witnesses.

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